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TREASURY FOR ASZUBIN, JSERAFINI
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E.O. 12958: DECL: 06/19/2016
TAGS: [EFIN](#) [IR](#) [IT](#) [KTFN](#) [PGOV](#) [PREL](#) [PTER](#)
SUBJECT: SCENESETTER FOR U/S LEVEY'S VISIT TO ROME, JUNE
20, 21

REF: A. ROME 1708

- [1](#)B. ROME 1493
- [1](#)C. ROME 452
- [1](#)D. SECSTATE 77248
- [1](#)E. 05 ROME 3479

ROME 00001817 001.2 OF 003

Classified By: Acting Economic Minister Counselor Kathleen
Reddy for reasons 1.5 (b, d)

Summary -----

[1](#)1. (C) Embassy Rome warmly welcomes the visit of Treasury U/S for Terrorism and Financial Intelligence, Stuart Levey, to Italy, at this important juncture in U.S. - Italy relations as the new center-left government takes hold. The Embassy has scheduled three, high-level meetings on Iran; we also suggest that U/S Levey use his meetings with GOI officials to continue our rich discussions on terrorism finance. We have arranged a press briefing June 21, following his meetings. Para 8 provides U/S Levey's schedule. End Summary.

Iran - Italy Economic Relations -----

[1](#)2. (U) Two-way trade between Italy and Iran reached 5.17 billion euros in 2005, up from 4.33 billion in 2004. Italy had a 2005 trade deficit with Iran of 665.1 million euros, caused in large part by imports of Iranian oil worth 2.6 billion euros. Many major Italian corporations and banks have a presence in Iran. As of end-2004, the stock of Italian foreign direct investment (FDI) in Iran was 433.2 million euros, not including investments made in the oil and gas industries under service contracts. Eni, the Italian oil company, 30 percent government-owned, claims to have invested 2.5 billion dollars in Iran over the past fifty years, and other Italian firms provide engineering and technical support to the oil and gas industries. Several major Italian banks, including Mediocredito Centrale (MCC), Mediobanca, Banca

Intesa, and Banca Nazionale de Lavoro, have representative offices in Iran. Please see Ref C (Rome 452) for further information on commercial and trade links between Italy and Iran.

Terrorism Finance Developments Since U/S Levey's Last Visit

¶3. (C) In addition to discussions on Iran, Embassy requests that U/S Levey raise terrorism finance. Italy continues to be an excellent partner in combating terrorism finance, and remains third after the United States and the United Kingdom in the number of names contributed to the UNSC 1267 Committee for asset freeze. To seek support for an upcoming designation of three persons (ref B), Italy provided Embassy Rome with 422 pages of evidentiary material in Italian, which the Embassy sent to Washington agencies May 18. Italy also provided June 14 a statement of case for the three individuals proposed for designation. GOI officials have indicated they plan to pre-notify on the designations mid-July. Please see para 7 below.

¶4. (C) On the outstanding Nasreddin case involving the freezing of non-financial assets, the U.S. Department of Justice responded to Italy's May 20 request under the Mutual Legal Assistance Treaty (MLAT), and provided GOI officials and judges a much-needed response to resolve the case. As a result of issues surrounding the Nasreddin case, the Finance Ministry has drafted, and plans to submit to Parliament, a decree law to allow for the freezing of non-financial terrorist assets.

¶5. (S) On terrorism finance, the Mission has identified the following two goals for U/S Levey's visit:

Goal 1: Support for Terrorist Facilitators Initiative

ROME 00001817 002.2 OF 003

¶6. (S) The GOI has provided an ambiguous, slightly negative response to the Terrorist Facilitators Initiative, both with respect to the Initiative as an overall strategy to fight terrorism finance, and to the two first initial designees in Italy: Abu Imad and Nabil el-Feki (ref A, C). MFA and MOF interlocutors expressed concern that an on-going Ministry of Interior outreach to Muslim communities program includes the proposed designees. We request that U/S Levey promote the Terrorist Facilitators Initiative in conversations with GOI senior-level officials, and, if possible, agree to provide Italian authorities with additional evidentiary support on Abu Imad and Nabil el-Feki.

Proposed Talking Points: Terrorist Facilitators Initiative (USG Proposed Designees in Italy)

-- I understand that you have requested additional information on the two proposed designations.

-- We are pursuing options for sharing additional information, and will respond to your request shortly.

Goal 2: Support for Italy's Three Proposed Designations

¶7. (C) The Ministry of Finance has provided detailed information on three individuals they plan to designate in mid-July. They have requested that the United States consider either co-designating the individuals, or writing a Letter of Support to submit to the UN 1267 Committee. We doubt Italy will submit the names without "proof" that we will not subsequently put a hold on the listing request. We request that U/S Levey indicate that Washington agencies are reviewing the evidence, and that we will respond in a timely fashion to their request for support.

Proposed talking points on Italy's Proposed Designations

-- Thank you for sharing an early copy of the statement of case and background documentation for Italy's three proposed UN 1267 designations.

-- We are currently reviewing the information, and plan to respond before mid-July.

-- If possible, we will provide a Letter of Support for the designations.

18. (U) Rome Schedule for U/S Levey

Tuesday, June 20

23:20 Arrive Fiumicino airport. Meet by Control Officer Auden McKernan. Depart airport for Villa Taverna.

Wednesday, June 21

07:30 Breakfast at Villa Taverna with Ambassador Spogli

08:30 Meet with OCP

08:45 Meet with Terrorist Working Group

09:30 Meet with Ambassador Terzi di Sant'Agata, Director General, Multilateral Affairs and Human Rights, Ministry of Foreign Affairs

10:30 Meet with Dr. Carlo De Stefano, Director General, Prevention Police, Ministry of Interior, Embassy Round Conference Room

11:30 Meet with Dr. Augusta Iannini, Director of Judicial Affairs, Ministry of Justice.

12:45 Meet with Vittorio Grilli, Director General of

ROME 00001817 003.2 OF 003

Italian Treasury, head of the Financial Security Committee
(Italian PCC-equivalent) (with Giuseppe Maresca)

13:30 No Host Lunch- La Ninfa, Via Veneto 54

14:45 Press Briefing, Embassy PA Conference Room

16:30 Depart Villa Taverna for Fiumicino Airport

18:10 Depart Fiumicino
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